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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte WILLIAM FRANTZ*

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Appeal 2007-3298  
Application 10/010,486  
Technology Center 2600

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Decided: February 20, 2008

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Before MAHSHID D. SAADAT, JOHN A. JEFFERY,  
and KEVIN F. TURNER, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

**DECISION ON APPEAL**

Appellant appeals under 35 U.S.C. § 134 from a final rejection of claims 1-19. We have jurisdiction under 35 U.S.C. § 6(b). We affirm-in-part and enter a new ground of rejection pursuant to the provisions of 37 C.F.R. § 41.50(b).

**STATEMENT OF CASE**

Appellant discloses systems, methods and apparatuses to deliver guaranteed advertising to targeted subscribers in a viewing audience. (Specification ¶ [0001]). The system allows for the advertising to be

displayed in place of other portions of a live broadcast and is able to detect the presence of a viewer at the viewer's device. (Specification ¶ [0005]).

The independent claim 1, which is deemed to be representative, reads as follows:

1. A communication system for delivering audio and/or video messages to a subscriber, comprising:

a transmitter for transmitting broadcast programming and audio and/or video messages to a subscriber as separate data streams; and

at least one communication apparatus having receiver circuitry for receiving said audio and/or video messages data stream separate from receiving the data stream containing said broadcast programming, each subscriber having at least one communication apparatus, said at least one communication apparatus further including:

a processor operatively connected to a mass storage device for processing and storing said received audio and/or video messages,

a sensor generating a using message indicative of a subscriber using the broadcast programming wherein

said processor accesses said stored audio and/or video messages for display in place of the broadcast programming being currently used by the subscribers in response to the using message.

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

Zigmund US 6,698,020 B1 Feb. 24, 2004 (filed: Jun. 15, 1998)

The Examiner rejected claims 1-19 under 35 U.S.C. § 102(e) as being anticipated by Zigmond.

Appellant contends that the Examiner erred in indicating that the claimed subject matter would have been anticipated by Zigmond. More specifically, Appellant argues that certain claim elements are not taught by Zigmond and that the rejection of claims 1-19 is improper. (Br. 7-10). The Examiner finds that all elements of the rejected claims can be found in Zigmond. (Answer 7-10).

Appellant argues that the same or similar elements of independent claims 1, 8 and 14 are not taught by Zigmond and argues the patentability of claims 2, 3, 5-7, 9, 10, 12, 13, 15, 16, 18 and 19 only with respect to their dependence on the independent claims. (Br. 8-10). Appellant also argues that claims 4, 11 and 17 are patentable over Zigmond because of similar elements recited in those claims. (Br. 9-10).

As such, we consider Appellant's claims as standing or falling together in two groups based on the distinct arguments presented by Appellant, and we treat:

Claim 1 as a representative claim of Group I (claims 1-3, 5-10, 12-16, 18 and 19); and

Claim 4 as a representative claim of Group II (claims 4, 11 and 17).

*See 37 CFR § 41.37(c)(1)(vii).*

## ISSUES

- 1) Has Appellant shown that the Examiner erred in finding claim 1 anticipated by Zigmond?

2) Has Appellant shown that the Examiner erred in finding claim 4 anticipated by Zigmund?

#### FINDINGS OF FACT

1. The Specification details a communication system that delivers audio and/or video messages to a subscriber. The communication system includes a transmitter for transmitting broadcast programming and audio and/or video messages to a subscriber as separate data streams. The system further includes at least one communication apparatus which has receiver circuitry for receiving the audio and/or video messages data stream separate from receiving the data stream containing the broadcast programming. The communication apparatus includes a processor operatively connected to a mass storage device or processing and storing the received audio and/or video messages. A sensor generates a using message indicative of a subscriber using the broadcast programming. The processor accesses the stored audio and/or video for display in place of the broadcast programming being currently used by the subscribers in response to the using message. (Specification ¶¶ [0022]; [0024]; [0031]; [0051]-[0053]; and [0063]-[0065]; Figs. 1-3, elements 100, 200, 310, 320 and 1000).

2. In additional embodiments, the Specification discloses that the transmitter includes an uplink facility for digitally encoding and multiplexing the audio and/or video messages into a packetized data stream, and for encoding and modulating the packet data into a suitable frequency band for reception. A satellite receives the data packet via an airlink from the uplink facility and transmits the data packet to the communication

apparatus. (Specification ¶¶ [0027]-[0028]; Figs. 1 and 2, elements 100, 150 and 200).

3. The Specification describes that conventional satellite communications systems mix content “in packetized streams, called data packets, and then deliver the data packets to receivers of subscribers in a global viewing audience.” (Specification ¶ [0002]).

4. Zigmond is directed to systems which allow for selection and insertion advertisements into a video programming feed at the household level. At an appropriate time specified by encoded data in video programming feed or by the structure of video programming feed, the household advertisement insertion device interrupts the display of the video programming feed. An advertisement that has been selected according to any desired method is then displayed to the viewer using display device. The system also allows for viewer targeting of the advertisements based on demographic data. (Abstract; col. 7, ll. 26-36; col. 8, ll.1-11, 30-38; col. 9, ll. 21-38; col. 10, ll. 48-63; Fig. 4, elements 52, 58, 60, 62, 64, 66 and 68).

5. Zigmond also details that because many households include more than one viewer, the home entertainment system has the ability to identify the viewer. Such a system can include a login screen or protocol which requires the viewer or viewers to identify them each time video programming is watched. When the invention is incorporated in a Web TV box or another Internet access system, the login structure and protocol may be combined with the system for logging into to Internet access system. (Col. 9, l. 56 – col. 10, l. 3).

6. Zigmond teaches a satellite service provider receives programming from content providers through feeds and the satellite service provider uplinks an analog or digital data stream to a satellite. The satellite transmits the signal to receiver units in subscriber's households. (Col. 17, l. 50 – col. 18, l. 6; Fig. 7, elements 38, 39, 56, 130, 132, 134, 136 and 138).

#### PRINCIPLES OF LAW

“A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros., Inc. v. Union Oil Co. of Calif.*, 814 F.2d 628, 631 (Fed. Cir. 1987).

Although claims of issued patents are interpreted in light of the specification, prosecution history, prior art and other claims, this is not the mode of claim interpretation to be applied during examination. During examination, the claims must be interpreted as broadly as their terms reasonably allow. *In re Am. Acad. of Sci. Tech Center*, 367 F.3d 1359, 1369 (Fed. Cir. 2004). However, the broadest reasonable interpretation of the claims must also be consistent with the interpretation that those skilled in the art would reach. *In re Cortright*, 165 F.3d 1353, 1358 (Fed. Cir. 1999).

#### ANALYSIS

Appellant argues that claim 1 recites, in part, that the communication system includes “a sensor generating a using message indicative of a subscriber using the broadcast programming,” and that element is not taught by Zigmond. Appellant asserts that Zigmond discloses that targeted advertising is directed to a specific individual viewer but does not determine

whether the individual viewer is actually watching or using the video. The Examiner counters that the claims do not recite determining whether a user is present, and even if they did, Zigmond monitors the actions of the viewer and is aware of the viewer's presence. Appellant further argues that the instant application allows for advertisements to be placed while the user is using the device and has not walked away, and Zigmond does not solve this problem.

Claim 1 requires neither the constant attention of the viewer, nor the physical presence of the subscriber. Claim 1 recites a sensor that provides a message indicative that the subscriber is using the programming. Zigmond clearly provides for methods that allow for the identity of the viewer to be determined. (Finding of Fact 5). Such login processes would have to constitute "use" of the system and use of displayed programming. While we acknowledge that Appellant's Specification, particularly paragraph [0058], recites specific methods, such as using an IR receiver, to determine the presence of a viewer, claim 1 is broader than that specific disclosure in the Specification. As such, we do not find that the Examiner erred in rejecting claim 1 as being anticipated by Zigmond.

With respect to claim 4, Appellant argues that the claim recites packetized signals and Zigmond fails to teach such signals. The Examiner indicates that claim 4 does not recite "packetized signals," but claim 4 does recite "a packetized data stream." The Examiner also alleges that Zigmond teaches a packetized data stream because Zigmond transmits information and a packet is a unit of information. We do not find the Examiner's arguments compelling because the term "packet" has a known meaning in

the art and in Appellant's disclosure, and Zigmond does not explicitly disclose the use of a packetized data stream. As such, we find the Examiner erred in rejecting claim 4 as being anticipated by Zigmond.

#### NEW GROUND OF REJECTION

We enter the following new rejection of claims 4, 11 and 17 pursuant to the provisions of 37 C.F.R. § 41.50 (b). Claims 4, 11 and 17 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Zigmond in view of Applicant's Admitted Prior Art.

Zigmond teaches all of the elements of independent claims 1, 8 and 14, per the rejection of those claims in the Final Office Action of July 11, 2006, which we have affirmed. Per claims 4, 11 and 17, Zigmond teaches an uplink facility for encoding audio/video data and modulating a signal into a suitable frequency band for reception. (Findings of Fact 6). Zigmond also discloses a satellite for receiving the signal via an airlink from the uplink facility and for transmitting the signal to the communication apparatus. (Findings of Fact 6). Zigmond does not, however, teach that the signal is a packetized data stream.

Appellant's Admitted Prior Art details that conventional satellite communications systems mix content in packetized streams and deliver the data packets to the receivers. (Findings of Fact 3). The incorporation of the packetized streams in Zigmond would have been obvious to one of ordinary skill in the art because such streams are conventional and allow for segmented handling of data streams. Furthermore, incorporating packetized data streams in Zigmond is tantamount to the predictable use of prior art

elements according to their established functions – an obvious improvement. See *KSR Int'l v. Teleflex, Inc.*, 127 S. Ct. 1727, 1740 (2007). Thus, we find it would have been obvious to one of ordinary skill in the art to modify Zigmond in view of Applicant's Admitted Prior Art to teach or suggest all of the elements of claims 4, 11 and 17.

Accordingly, claims 4, 11 and 17 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Zigmond and Applicant's Admitted Prior Art.

#### CONCLUSION

The decision of the Examiner rejecting claims 4, 11 and 17 under 35 U.S.C. § 102(e) based on Zigmond is reversed. The decision of the Examiner rejecting claims 1-3, 5-10, 12-16, 18 and 19 under 35 U.S.C. § 102(e) based on Zigmond is affirmed. Claims 4, 11 and 17 are newly rejected under 35 U.S.C. § 103 as being unpatentable over Zigmond and Appellant's Admitted Prior Art.

#### DECISION

The Examiner's rejection of claims 1-3, 5-10, 12-16, 18 and 19 is affirmed, the Examiner's rejection of claims 4, 11 and 17 is reversed, and new grounds of rejection are entered against claims 4, 11 and 17.

Regarding the affirmed rejection, 37 C.F.R. § 41.52(a)(1) provides "[a]ppellant may file a single request for rehearing within two months from the date of the original decision of the Board."

In addition to affirming the Examiner's rejection(s) of one or more claims, this decision contains a new ground of rejection pursuant to

37 C.F.R. § 41.50(b) (effective September 13, 2004, 69 Fed. Reg. 49960 (August 12, 2004), 1286 Off. Gaz. Pat. Office 21 (September 7, 2004)).

37 C.F.R. § 41.50(b) provides "[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review."

37 C.F.R. § 41.50(b) also provides that the Appellant, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of the appeal as to the rejected claims:

(1) *Reopen prosecution.* Submit an appropriate amendment of the claims so rejected or new evidence relating to the claims so rejected, or both, and have the matter reconsidered by the examiner, in which event the proceeding will be remanded to the examiner. . . .

(2) *Request rehearing.* Request that the proceeding be reheard under § 41.52 by the Board upon the same record. . . .

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED-IN-PART  
37 C.F.R. § 41.50(b)

Appeal 2007-3298  
Application 10/010,486

gvw

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